

## Fiscal Estimate - 2005 Session

☒ Original      ☐ Updated      ☐ Corrected      ☐ Supplemental

<b>LRB Number</b> <b>05-1244/1</b>		<b>Introduction Number</b> <b>AB-43</b>	
<b>Subject</b>  Elderly drivers			
<b>Fiscal Effect</b>  <b>State:</b> <div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;"><input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input checked="" type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations</div><div style="width: 33%;"><input checked="" type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues</div><div style="width: 33%;"><input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <div style="display: flex; justify-content: space-between;"><input type="checkbox"/> Yes      <input checked="" type="checkbox"/> No</div><input type="checkbox"/> Decrease Costs</div></div> <b>Local:</b> <div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;"><input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"><div>1. <input type="checkbox"/> Increase Costs     <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</div><div>2. <input type="checkbox"/> Decrease Costs     <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</div></div></div><div style="width: 33%;"><div style="display: flex; justify-content: space-between;"><div>3. <input type="checkbox"/> Increase Revenue     <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</div><div>4. <input type="checkbox"/> Decrease Revenue     <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</div></div></div><div style="width: 33%;"><b>5. Types of Local Government Units Affected</b> <div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;"><input type="checkbox"/> Towns <input type="checkbox"/> Counties <input type="checkbox"/> School Districts</div><div style="width: 33%;"><input type="checkbox"/> Village <input type="checkbox"/> Others <input type="checkbox"/> WTCS Districts</div><div style="width: 33%;"><input type="checkbox"/> Cities</div></div></div></div>			

## Fiscal Estimate Narratives

DOT 2/11/2005

LRB Number	05-1244/1	Introduction Number	AB-43	Estimate Type	Original
<b>Subject</b>					
Elderly drivers					

### Assumptions Used in Arriving at Fiscal Estimate

#### SUMMARY

- Vision testing every three years for drivers aged 75 – 84
- Vision and knowledge testing every two years for drivers aged 85 and older
- Charges a \$15 skills test fee for every skills test attempt from the effective date of the bill through December 31, 2006
- Charges a \$15 skills test fee for every 2 skills test attempts after January 1, 2007
- Directs the department to issue a report (in five years) on the effects of this bill on highway safety
- Creates an advisory council to study aging and driving ability, and to identify transportation alternatives, and to issue the study within 2 years
- Increases appropriations to 20.395 (5)(cq) by \$157,000 in FY06 for implementation, and by \$288,469 and 2.5 FTE in FY07 to conduct the study and administer driver license services

#### ASSUMPTIONS

- Testing requirements would be phased in, based on age at renewal so all affected drivers will not be tested the first year.
- All current drivers would attempt to take the tests.
- The number of drivers would fail the required test and surrender their license is indeterminable.
- Study materials will be sent to drivers would are required to take the knowledge test.
- An indeterminable number of identification cards will be issued as drivers lose their privileges. This will affect both costs and revenues.
- An indeterminable number of drivers with other medical conditions will be identified through additional contacts with DMV, increasing costs.
- Skills tests revenues from charging for every skills test attempt are shown for one calendar year, assuming the effective date of the legislation to be January 1, 2006.

#### COST SUMMARY

##### One-time costs:

- \$170,850 for modifications to driver licensing system for selecting affected drivers and appropriate tests, creating new correspondence, adding follow-ups, and canceling license if requirements aren't met.
- \$150,000 to conduct the five-year study analyzing the effects of the new licensing requirements.

##### Ongoing costs:

- \$54,737 for postage costs to mail notice of vision and knowledge test requirement.
- \$14,939 for printing costs for study materials for knowledge test
- \$117,180 FTE costs (2.7 positions) to administer vision and knowledge tests
- \$15,000 annually for advisory council to study transportation alternatives

##### One-time revenue:

- \$542,145 skills test revenue for calendar year 2006, for charging a \$15 for all skills tests.

##### Ongoing revenue:

- \$104,829 skills test revenue for charging a \$15 for every two skills test attempts.

#### BASIS FOR COST SUMMARY

There are currently 216,533 drivers aged 75-84. A third of them, 72,178 would be required to take the vision test annually.

There are currently 59,756 drivers aged 85 and older. Half of them, 29,878 would be required to take the vision and knowledge test annually.

One-time costs:

-\$170,850 for modifications to driver licensing system (201 days @ \$600/day for contract programmers = \$120,600, plus \$250/day for computer processing charges = \$50,250)  
-\$150,000 estimated to conduct the five-year study.

Ongoing costs:

-\$54,737 for postage costs to mail notice of vision and knowledge tests.

Drivers aged 75 – 84:  $72,178 * \$0.332 = \$23,963$ .

Drivers aged 85 and older:  $29,878 * \$1.03 = \$30,774$  (includes postage for study materials)

-\$14,939 for printing costs for study materials.

Drivers aged 85 and older:  $29,878 * \$0.50 = \$14,939$

-\$117,180 FTE cost increase

72,178 drivers aged 75-84 taking vision test @ 1 minute each = 72,178 minutes

$72,178 \text{ minutes} / 60 = 1207 \text{ hours} / 1725 \text{ hours (1 FTE)} = 0.7 \text{ FTE}$

$0.7 \text{ FTE @ } \$43,400 = \$30,380$

29,278 drivers 85 and older taking vision & knowledge tests @ 7.2 minutes each = 210,802 minutes

(7.2 minutes includes 1.0 minutes for the vision test, and 6.2 minutes for the knowledge test)

$210,802 \text{ minutes} / 60 = 3513 \text{ hours} / 1725 \text{ hours (2 FTE)} = 2.0 \text{ FTE}$

$2.0 \text{ FTE @ } \$43,400 = \$86,800$

-\$15,000 annually for advisory council estimated to cover non-state employee travel, materials, and supplies.

The council is expected to include at least 20 non-DOT employees, including representatives from organizations such as AARP, the Coalition of Wisconsin Aging Groups, geriatric physicians, optometrists, AAA, the insurance industry, county government, other state agencies and the University of Wisconsin. The money would be used for mileage reimbursements at \$0.325 per mile, meals, and supplies.

One-time revenue:

$34,939 \text{ skills test failed annually} * \$15 = \$524,085$

Ongoing revenue:

$6,989 \text{ skills test failed annually on second attempt} * \$15 = \$104,829$

**Long-Range Fiscal Implications**

As the population ages, the number of drivers impacted by this bill will grow. This will cause additional staffing demands in the future.

## Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

<b>LRB Number</b> <b>05-1244/1</b>	<b>Introduction Number</b> <b>AB-43</b>	
<b>Subject</b>		
Elderly drivers		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  \$170,850 in DP costs for modifications to driver licensing system. \$150,000 in costs to conduct the five-year study. \$542,145 revenue increase for charging skills tests for all attempts (provision ends December 31, 2006).		
<b>II. Annualized Costs:</b>	<b>Annualized Fiscal Impact on funds from:</b>	
	Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes	\$117,180	
(FTE Position Changes)	(2.7 FTE)	
State Operations - Other Costs	84,676	
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$201,856</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR		
FED		
PRO/PRS		
SEG/SEG-S (20.395(5)(cq))	201,856	
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S (20.395(5)(cq))	104,829	
<b>TOTAL State Revenues</b>	<b>\$104,829</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	State	Local
NET CHANGE IN COSTS	\$201,856	\$
NET CHANGE IN REVENUE	\$104,829	\$
<b>Agency/Prepared By</b>		
<b>Authorized Signature</b>		<b>Date</b>
DOT/ Erin Egan (608) 266-1449		2/11/2005
Carol Buckmaster (608) 267-6979		